

SECRET

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MEMORANDUM FOR THE RECORD

SUBJECT: Program for Verification of Receipt of Goods and Services

1. Para 4230.20 of GA~~9~~ Manual requires all departments and agencies to maintain a sound receiving system to verify receipt of supplies, material, and services.
2. Billing documents may be ^{treated} ~~handled~~ as constructive evidence of receipt and therefore sufficient to establish liability and to make payment accordingly.
3. General Ledger Account 607 is being utilized to credit the amount of the acquisition cost of:
 - a) material and equipment purchased and subject to Headquarters property procedures,
 - b) property ordered by Headquarters for direct shipment to Type I installations for which payment is to be effected at Headquarters.Control is ~~maintained~~ maintained through use of the purchases order number.
4. General Ledger Account 606 is utilized to expense the net amount paid for property purchased by Headquarters as outlined in 3a and 3b above. Control is maintained through use of the purchase order number supported by the Fedstrip/Milstrip number and the Office of Logistics voucher number.

5. The only documentation furnished the Office of Finance is a cross reference supplied by the Office of Logistics reflecting the information cited in para. 4 above. The receiving report is kept by the Office of Logistics and serves as the basis, along with the purchase order, of the entries to the 607 account.
6. In the interest of maintaining better accounting control and to insure verification of receipt of supplies, material, and services, it is recommended:
 - a) that the receiving report number be made a part of the coding on all entries to the 607 and 606 G.L. Accounts.
 - b) that C&L/GCB be ~~forth~~ furnished with the machine listing of these accounts to be utilized as a cross reference when auditing the billing document.
 - c) that number of units received as shown on the receiving report be made a part of the coding entry to the 607 account for subsequent verification with the billing document.